#### MINUTES

# MONTANA HOUSE OF REPRESENTATIVES 62nd LEGISLATURE - REGULAR SESSION

#### **COMMITTEE ON TAXATION**

Call to Order: Chair Mark Blasdel, on February 2, 2011 at 9:00 A.M., in Room 152

Capitol

# **ROLL CALL**

#### **Members Present:**

Rep. Mark Blasdel, Chairman (R)

Rep. Dick Barrett, Vice Chairman (D)

Rep. Mike Miller, Vice Chairman (R)

Rep. Steve Fitzpatrick (R)

Rep. Kelly Flynn (R)

Rep. Alan Hale (R)

Rep. Brian Hoven (R)

Rep. Austin Knudsen (R)

Rep. Steve Lavin (R)

Rep. Edith (Edie) McClafferty (D)

Rep. Mary McNally (D)

Rep. Jerry O'Neil (R)

Rep. Lee Randall (R)

Rep. Wayne Stahl (R)

Rep. Janna Taylor (R)

Rep. Kathleen Williams (D)

Rep. Max Yates (R)

Members Excused: None

Members Absent: Rep. Sue Malek (D)

Rep. Mike Phillips (D)

**Staff Present:** Lisa Adams, Committee Secretary

Jeff Martin, Legislative Branch

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

### **Committee Business Summary:**

Hearing & Date Posted: HB 325, 1/31/2011

Executive Action: HB 143; HB 165; HB 192; HB 217; HB 219; HB 224; HB 247

# **HEARING ON HB 325**

Opening Sta	atement by Sponsor:
00:00:14	Rep. Keith Regier (R), HD 5, opened the hearing on HB 325, Eliminate class 8 business equipment property tax.
00:00:16	Rep. Phillips entered.
00:00:21	Rep. Malek entered.
Proponents'	' Testimony:
00:06:12	Jason Todhunter, Montana Logging Association
00:11:14	Cary Hegreberg, Executive Director, Montana Contractors' Association
00:13:38	Rep. Stahl left.
00:15:11	Pat Heffernan, Montana Wood Products Association
00:17:53	Aidan Myhre, Kalispell Chamber of Commerce
00:19:36	Nicole Rolf, Montana Farm Bureau Federation
00:21:25	Patrick Montalban, Northern Montana Oil and Gas Association
00:22:45	Rep. Stahl returned.
00:24:43	Daniel Cox, self
Opponents'	Testimony:
00:26:40	Evan Barrett, Chief Business Officer, Governor's Office
00:33:16	Rep. Fitzpatrick left.
00:35:52	Diane Fladmo, Director of Research, Montana Education Association - Montana
00.00.02	Federation of Teachers (MEA-MFT)
Information	al Testimony
	al Testimony:  Rocky Haralson, Regional Manager, Property Assessment Division, Department
Informationa 00:37:28	Rocky Haralson, Regional Manager, Property Assessment Division, Department
00:37:28	Rocky Haralson, Regional Manager, Property Assessment Division, Department of Revenue (DOR)
00:37:28 00:38:03	Rocky Haralson, Regional Manager, Property Assessment Division, Department of Revenue (DOR) Jim Standaert, Legislative Fiscal Division (LFD), Montana State Legislature
00:37:28	Rocky Haralson, Regional Manager, Property Assessment Division, Department of Revenue (DOR) Jim Standaert, Legislative Fiscal Division (LFD), Montana State Legislature
00:37:28 00:38:03 <u>EXHIBIT(</u> tah 00:38:10	Rocky Haralson, Regional Manager, Property Assessment Division, Department of Revenue (DOR) Jim Standaert, Legislative Fiscal Division (LFD), Montana State Legislature  126a01) Rep. Fitzpatrick returned.
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00:37:28 00:38:03 EXHIBIT(tah 00:38:10 Questions for 00:42:18	Rocky Haralson, Regional Manager, Property Assessment Division, Department of Revenue (DOR) Jim Standaert, Legislative Fiscal Division (LFD), Montana State Legislature 126a01) Rep. Fitzpatrick returned.  rom Committee Members and Responses: Rep. Phillips
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00:37:28 00:38:03 EXHIBIT(tah 00:38:10 Questions for 00:42:18 00:42:47 00:42:50 00:42:56	Rocky Haralson, Regional Manager, Property Assessment Division, Department of Revenue (DOR) Jim Standaert, Legislative Fiscal Division (LFD), Montana State Legislature 126a01) Rep. Fitzpatrick returned.  rom Committee Members and Responses: Rep. Phillips Mr. Standaert, LFD Rep. Phillips Mr. Standaert
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00:37:28  00:38:03  EXHIBIT(tah 00:38:10  Questions fr 00:42:18 00:42:47 00:42:50 00:42:56 00:43:23 00:43:44 00:43:51 00:43:56 00:44:21 00:44:39	Rocky Haralson, Regional Manager, Property Assessment Division, Department of Revenue (DOR) Jim Standaert, Legislative Fiscal Division (LFD), Montana State Legislature  126a01) Rep. Fitzpatrick returned.  126a01) Rep. Phillips Mr. Standaert, LFD Rep. Phillips Mr. Standaert Rep. Hale Mr. Standaert Rep. Malek Ms. Rolf
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00:37:28  00:38:03  EXHIBIT(tah 00:38:10  Questions fr 00:42:18 00:42:47 00:42:50 00:42:56 00:43:23 00:43:44 00:43:51 00:43:56 00:44:21 00:44:39 00:44:43 00:45:03	Rocky Haralson, Regional Manager, Property Assessment Division, Department of Revenue (DOR) Jim Standaert, Legislative Fiscal Division (LFD), Montana State Legislature (126a01) Rep. Fitzpatrick returned.  **Tom Committee Members and Responses*:  Rep. Phillips Mr. Standaert, LFD Rep. Phillips Mr. Standaert Rep. Hale Mr. Standaert Rep. Hale Mr. Standaert Rep. Hale Mr. Standaert Rep. Hale Mr. Standaert Rep. Malek Ms. Rolf Rep. Malek Ms. Rolf Rep. Malek Ms. Rolf
00:37:28  00:38:03  EXHIBIT(tah 00:38:10  Questions fr 00:42:18 00:42:47 00:42:50 00:42:56 00:43:23 00:43:44 00:43:51 00:43:56 00:44:21 00:44:39 00:44:43 00:45:03 00:45:06	Rocky Haralson, Regional Manager, Property Assessment Division, Department of Revenue (DOR) Jim Standaert, Legislative Fiscal Division (LFD), Montana State Legislature (126a01) Rep. Fitzpatrick returned.  From Committee Members and Responses:  Rep. Phillips Mr. Standaert, LFD Rep. Phillips Mr. Standaert Rep. Hale Mr. Standaert Rep. Hale Mr. Standaert Rep. Hale Mr. Standaert Rep. Malek Ms. Rolf Rep. Malek Ms. Rolf Rep. Malek Ms. Rolf Rep. Malek
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00:46:21	Ms. Rolf
00:47:26	Rep. Malek
00:47:35	Ms. Rolf
00:48:54	Rep. Taylor
00:49:21	Mr. Standaert
00:49:42	Rep. Taylor
00:50:35	Mr. Standaert
00:50:47	Rep. Flynn
00:51:21	Mr. Standaert
00:51:58	Rep. Flynn
00:52:30	Mr. Standaert
00:52:56	Rep. McNally
00:53:23	Mr. Standaert
00:53:30	Rep. McNally
00:53:35	Mr. Standaert
00:53:41	Rep. Barrett
00:53:47	Mr. Haralson, DOR
00:53:53	Rep. Barrett
00:54:15	Mr. Haralson
00:54:59	Rep. Barrett
00:55:34	Mr. Haralson
00:55:38	Vice Chairman Miller
00:55:53	Mr. Standaert
00:56:47	Rep. Flynn
00:57:18	Mr. Standaert

# **Closing by Sponsor**:

00:57:31 Rep. Regier

01:00:10 Chairman Blasdel

# **EXECUTIVE ACTION ON HB 165**

01:16:48 Chairman Blasdel

01:16:59 Mr. Martin

01:17:21 Motion: Rep. Miller moved that HB 165 DO PASS.

01:17:24 Motion: Rep. Miller moved that HB 165 BE AMENDED.

EXHIBIT(tah26a02)

### **Discussion:**

01:18:23	Rep. Stahl
01:18:33	Mr. Martin
01:18:38	Rep. Stahl
01:18:43	Mr. Martin
01:19:01	Rep. Stahl
01:19:32	Mr. Martin
01:21:00	Rep. Stahl

01:22:03	Rep. Taylor
01:22:20	Mr. Standaert
01:23:37	Rep. Barrett
01:23:58	Rep. O'Neil
01:24:13	Mr. Standaert
01:24:43	Rep. Stahl
01:25:17	Chairman Blasdel
01:25:24	Vice Chair Miller

01:25:25 Vote: Motion to amend carried 14-5 by voice vote with Rep. Malek, Rep. McClafferty, Rep. O'Neil, Rep. Stahl and Rep. Yates voting no.

### Discussion:

01:26:47	Rep. McClafferty
01:26:56	Rep. Malek

01:27:00 Motion/Vote: Rep. Miller moved that HB 165 DO PASS AS AMENDED. Motion

carried 12-7 by roll call vote with Rep. Barrett, Rep. Malek, Rep. McClafferty,

Rep. McNally, Rep. Phillips, Rep. Williams and Rep. Yates voting no.

# **EXECUTIVE ACTION ON HB 143**

01:28:00 Motion: Rep. Stahl moved that HB 143 DO PASS.

# Discussion:

01:29:02	Rep. Stahl
01:29:46	Rep. Phillips
01:30:37	Rep. Stahl

01:31:00 **Vote**: Motion carried 11-8 by roll call vote with Rep. Barrett, Rep. Malek, Rep.

McClafferty, Rep. McNally, Rep. Phillips, Rep. Taylor, Rep. Williams and Rep.

Yates voting no.

### **EXECUTIVE ACTION ON HB 192**

01:32:00 Motion: Rep. O'Neil moved that HB 192 DO PASS.

01:33:00 **Motion:** Rep. O'Neil moved that **HB 192 BE AMENDED**.

EXHIBIT(tah26a03)

# **Discussion**:

01:34:27	Rep. O'Neil
01:36:21	Rep. Barrett
01:37:16	Vice Chairman Miller
04.07.07	N A N A

01:37:37 Mr. Martin

01:37:49 **Substitute Motion:** Rep. O'Neil made a substitute motion that **HB 192 BE** 

CONCEPTUALLY AMENDED TO INCLUDE CORRECTION TO LINE 26 ON

PAGE 2 TO CHANGE FROM \$50,000 TO \$35,000.

Discussion: 01:38:41 01:38:57 01:39:28 01:39:32 01:40:00 01:40:30	Rep. Phillips Chairman Blasdel Rep. Phillips Chairman Blasdel  Vote: Substitute motion carried unanimously by voice vote.  Vote: Original motion to amend carried unanimously by voice vote.	
01:41:01	Motion/Vote: Rep. Blasdel moved that HB 192 BE TABLED UNTIL A NEW FISCAL NOTE IS RECEIVED. Motion carried unanimously by voice vote.	
	EXECUTIVE ACTION ON HB 217	
01:43:02	Motion: Rep. Miller moved that HB 217 DO PASS.	
Discussion:		
01:43:13 01:43:26	Vice Chairman Miller Rep. Williams	
01.10.20	Top. Williams	
01:44:50	<u>Vote</u> : Motion failed 4-15 by voice vote with Rep. Hale, Rep. Miller, Rep. Taylor and Rep. Yates voting aye.	
01:45:00	Motion/Vote: Rep. Miller moved that HB 217 BE TABLED AND THE VOTE REVERSED. Motion carried unanimously by voice vote.	
	EXECUTIVE ACTION ON HB 219	
01:46:24	Motion: Rep. Miller moved that HB 219 DO PASS.	
01:47:11	Motion/Vote: Rep. Randall moved that HB 219 BE AMENDED. Motion carried	
unanimously by voice vote.  EXHIBIT(tah26a04)		
Discussion:		
01:47:24	Mr. Martin	
01:48:15	Vice Chairman Miller	
01:48:22	Mr. Martin	
01:48:53 01:50:54	Rep. Barrett Vice Chairman Miller	
01:51:12	Mr. Martin	
01:51:31	Rep. Malek	
01:53:00	Rep. Williams	
01:53:40	Motion/Vote: Rep. Blasdel moved that HB 219 DO PASS AS AMENDED.  Motion carried 12-7 by roll call vote with Rep. Barrett, Rep. Hoven, Rep. Malek, Rep. McClafferty, Rep. McNally, Rep. Phillips and Rep. Williams voting no.	

# **EXECUTIVE ACTION ON HB 224**

Motion: Rep. Flynn moved that HB 224 DO PASS. 01:55:28

Discussion:	
01:55:53	Rep. Malek
01:56:41	Vice Chairman Miller
01:57:07	Rep. Stahl
01:57:40	Rep. Barrett
01:58:06	Vice Chairman Miller
01:58:17	Rep. Hale
01:58:45	Rep. Williams
01:59:00	<b><u>Vote</u></b> : Motion carried 10-9 by roll call vote with Rep. Blasdel, Rep. Flynn, Rep.
	Knudsen, Rep. Lavin, Rep. Miller, Rep. O'Neil, Rep. Randall, Rep. Taylor and
	Rep. Yates voting no.

# **EXECUTIVE ACTION ON HB 247**

Motion: Rep. Miller moved that HB 247 DO PASS. 02:00:15

Discussion:	
02:00:44	Vice Chairman Miller
02:02:40	Rep. McNally
02:03:24	Rep. Phillips
02:03:52	Vice Chairman Miller
02:04:00	<b>Vote:</b> Motion failed 2-17 by roll call vote with Rep. Miller and Rep. Stahl voting aye.
02:04:30	Motion/Vote: Rep. Barrett moved that HB 247 BE TABLED AND THE VOTE REVERSED. Motion carried unanimously by voice vote.

# **ADJOURNMENT**

02:06:49	Adjournment: 11:08 am		
		Lisa Adams, Secretary	
la			
Additional [	Documents:		
EXHIBIT(ta	ah26aad.pdf)		